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Before the FEDERAL COMMUNICATIONS COMMISSION RECEIVED

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In the Matter of

Billed Party Preference for 0+ InterLATA Calls

FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

CC Docket No. 92-77

COMMENTS

INDEPENDENT TELECOMMUNICATIONS, NETWORK, INC. Gilbert/Robinson Plaza Two Brush Creek Blvd., Ste. 400 P. O. Box 30210 Kansas City, MO 64112

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July 7, 1992

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Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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COMMENTS

Independent Telecommunications Network, Inc. ("ITN"), by its attorneys, hereby respectfully submits its Comments in connection with the Commission's Notice of Proposed Rulemaking ("Notice"), released May 8, 1992, in the above-referenced matter.

I. BACKGROUND.

The Commission has tentatively concluded in the Notice that Billed Party Preference ("BPP") routing of all 0+ interLATA calls is in the public interest. The Commission has sought further comment on the costs and benefits of the BPP system, and, specifically, has requested comment on how BPP should be implemented if BPP is indeed in the public interest.

II. INTEREST OF ITN.

ITN is engaged in the business of providing SS7 network services to telephone companies. ITN offers its SS7 network services to independent telephone companies ("ITCs") and various local and interexchange carriers ("IXCs"), enabling such companies, including a number of the Bell Operating Companies ("BOCs"), to access SS7 service points connected to the ITN SS7 network. ITN is owned by a cross-section of companies in the independent telephone industry.

III. IF BPP IS TO BE IMPLEMENTED. ITN BELIEVES THAT THE TECHNICAL MEANS ARE AVAILABLE TODAY FOR REDUCING THE CALL PROCESSING TIME ASSOCIATED WITH EACH CALL, BY ELIMINATING THE "DOUBLE DIP" TO THE DATABASE BY MULTIPLE CARRIERS ON THE SAME CALL.

The Commission has sought comment on all relevant issues relating to the implementation of BPP.²

Historically, the IXCs have performed the calling card validation and billed number screening validation for all interexchange calls. The IXCs validated these calls because they were the original issuers of calling cards and were therefore responsible for any calling card fraud in connection with these calls. It is ITN's understanding that today the interexchange carriers are positioning themselves

These services include Alternate Billing Service, LIDB Access Service, SS7 Hubbing or "Query Transport Service", Trunk Signaling Service, Detailed Message Accounting, Customized Fraud Control Service, and 800 Database Access Service.

See Notice at 7.

to be responsible only for fraud in connection with calls made using their own proprietary calling cards. Under this arrangement, there would no longer be any compelling reason for the IXCs to validate joint use calling cards. In fact, the technology is available today to enable the local exchange carrier ("LEC") to perform a joint carrier preference and validation function, using the existing LIDB system.³

The LEC (in contrast to the IXC) is able to (i) make the database inquiry for carrier preference information; (ii) make a simultaneous database inquiry for call validation; and (iii) hand-off the call to the preferred IXC at the switch. Requiring that the LEC transmit this joint carrier preference and call validation inquiry, and prohibiting the preferred IXC from making a second call validation inquiry on the same call, would substantially reduce call response times and eliminate redundant database inquiries by multiple carriers on the same call.

Without this requirement that the LEC transmit a joint carrier preference and call validation query on 0+ interexchange calls using joint use calling cards, 4 the IXCs

³ ITN understands that this may require some modification of LEC Operator Service Position facilities to determine the destination of gueries.

IXCs would still retain the right to validate their own proprietary cards, because only a single LIDB "dip" would be necessary to validate such cards. See Notice at 6, para. 11.

⁽continued...)

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will frequently "double dip" into the LIDB, resulting in substantial post-dial delay and inefficient use of the network. These inefficiencies could produce an increase in call processing time of from 1/2 second to 4 seconds per call.⁵

If the LEC is not required to transmit this joint carrier preference and call validation inquiry, the call validation process contemplated by the Bell Atlantic Petition⁶ would proceed as follows: An initial database query would be transmitted by the LEC Operator Service Switch in order to ascertain the carrier preference. The billed party's carrier preference would be returned with the database response. Once the call is routed to the preferred IXC, a second query would then be transmitted to the same database by the preferred IXC in order to validate the call, resulting in the above-described inefficiencies.

^{4(...}continued)

This LEC-performed joint carrier preference and validation inquiry could be utilized for 0+ collect and third number calls as well, if BPP is also implemented for this category of calls. <u>See</u> Notice at 6, para. 10.

⁵ See Bell Atlantic Petition for Rulemaking, R.M.-6723 (filed April 13, 1989) ("Bell Atlantic Petition") at 5.

⁶ As described in Notice, at 5.

If acting on the carrier preference were the responsibility of the IXC, it is possible that the carrier preference response might be ignored or overridden. The incentive to bypass the carrier preference is eliminated by requiring that this function be performed by the LEC.

In addition to the substantial call processing and network efficiencies associated with a requirement that the LEC perform this joint carrier preference and validation function, a far more competitive marketplace for the call validation service itself would also result. This interLATA validation service, which would otherwise be a captive market for the presubscribed IXC or the billed party's preferred IXC, would be opened-up to competition. Companies that provide query transport service and validation (such as ITN) would bid competitively for the business of the LECs.

IV. CONCLUSION.

In conclusion, ITN believes that the Commission should implement rules which authorize the LEC, and not the IXC, to perform both the carrier preference and the call validation database inquiry on calls using joint-use calling cards. The Commission should prohibit a second call validation by the preferred IXC, because this prohibition on redundant database queries will reduce call processing delay considerably and result in a far more efficient use of network facilities.

Respectfully submitted,

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